

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Columbine Capital Corp.

Point of Contact:	HERB ENSLEY	RSSD: (For Bank Holding Companies)	622756
UST Sequence Number:	519	Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	2,260,000	FDIC Certificate Number: (For Depository Institutions)	26916
CPP/CDCI Funds Repaid to Date:		Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	February 27, 2009	City:	BUENA VISTA
Date Repaid ¹ :	N/A	State:	Colorado

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).

☒ **Increase lending or reduce lending less than otherwise would have occurred.**

During 2010, Collegiate Peaks Bank increased its total loan portfolio from \$96.4 million on 12/31/09 to \$118.2 million on 12/31/10. The \$21.8 million of loan growth represents a 22.6% increase. The growth was primarily in our Denver region.

☒ **To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).**

Our 1-4 family residential loans grew \$5 million, or 96.4%; other construction and land development loans grew \$3.6 million, or 30.6%; real estate loans secured by non-farm, non-residential properties grew \$6.7 million, or 40.5%; and C&I loans grew \$2.9 million, or 12.2%.

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Columbine Capital Corp.

☐ Increase securities purchased (ABS, MBS, etc.).

☐ Make other investments.

☒ Increase reserves for non-performing assets.

Non-current loans and loan charge-offs remain extremely low. During 2010 we increased our reserve balances by \$320,000. The year-end reserve to net charge-offs was 36.4X; and the reserve to non-performing loans was 6.4X. We will increase our reserves to keep pace with our loan growth.

☐ Reduce borrowings.

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Columbine Capital Corp.

☐ Increase charge-offs.

☐ Purchase another financial institution or purchase assets from another financial institution.

☐ Held as non-leveraged increase to total capital.

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION
(Include Holding Company Where Applicable)

Columbine Capital Corp.

What actions were you able to avoid because of the capital infusion of CPP/CDCI funds?

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Columbine Capital Corp.

What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?

The CPP funds helped us to remain "well capitalized" throughout 2010. The funds continued to provide the Bank with the \$339,000 of additional legal lending limit. The increased legal lending limit continues to give us the ability to loan additional funds to some of our high-quality clients; and to attract other credit worthy customers. Our Denver offices both opened during the first half of 2009. At the end of 2010, our Denver offices reported total deposits of \$69.7 million and total loans of \$65.3 million. The Bank did not pay premium deposit rates, nor did it modify loan underwriting standards for the sake of the Bank's growth. With the success of our loan and deposit growth, we also hired two additional employees in our Denver market. At year-end 2010, we employed 22 FTE employees in our two Denver offices.

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION
(Include Holding Company Where Applicable)

Columbine Capital Corp.

Please describe any other actions that you were able to undertake with the capital infusion of CPP/CDCI funds.